



DEPARTMENT OF THE TREASURY
FINANCIAL MANAGEMENT SERVICE
WASHINGTON, D.C. 20227

October 17, 2005

To: Chief Financial Officers and Chief Credit Management Officials

From: J. Martin Mills
Assistant Commissioner
Debt Management Services

Subject: Combined Certification and Verification of Fiscal Year 2005 Treasury Report on Receivables

The Treasury Report on Receivables (TROR) is the Federal Government's primary means for Federal agencies to provide comprehensive information on receivables and delinquent debts due from the public. **Debt Management Services is requesting that the Departments/Agencies file a combined certification and verification form for the TROR to Treasury by Thursday, December 1, 2005.**

This date change is an interim step. Since the TROR and financial statement data should agree, next year's (FY 2006) end-of-year reporting will follow the same schedule as the GFRS/financial statement reporting, that is, mid-November filing.

The Certification relates to the debt collection information presented in Part 2, Section B, "Debt Eligible for Referral to Treasury for Offset and Cross-Servicing" of the TROR. The Verification requirements are authorized under OMB Circular A-129, Managing Federal Credit Programs. Both certification and verification should be executed on the combined form enclosed.

If an agency cannot certify and verify the accuracy of its debt collection information, the Chief Financial Officer or the agency head must provide an explanation, identifying the bureaus or divisions that are unable to validate this information. The instructions for this required Certification and Verification are enclosed. Your agency's submissions may be viewed on-line at <http://fmsapps.treas.gov/apps/dmis>. Please complete the enclosed Certification/Verification form. This form must be signed and returned by December 1, 2005. Please fax it to:

**Certification/Verification Team
Financial Management Service
Debt Management Services-ALRD
Attn: Matt Lorelli, Room 436B
Phone: (202) 874-6660
Fax: (202) 874-7494**

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on Receivables"

If you have any questions regarding this memorandum, please contact me or Gina Myers,
Director, Agency Liaison and Reporting Division at (202) 874-6660.

Enclosures

cc: Ken Papaj
Jim Sturgill

Verification

All 4th quarter (year-end) reports must be **verified** by the submitting Agency/Department's Chief Financial Officer (CFO) or equivalent.

Verification of the Receivables Report means that the report has been reconciled to the agency's Audited Financial Statements or in its absence to the Federal Agencies Centralized Trial-Balance System (FACTS).

Only one verification at the Agency or Department level is to be submitted. The verification is to be submitted by the Agency/Department CFO or equivalent.

The verification should state that **the information presented in Part I, Section A, Ending Balance line of the "Report on Receivables Due from the Public" was reviewed and is reconciled to the receivable balances in the agency's (a) Form and Content -Audited Financial Statements, i.e., the Balance Sheet and (b) FACTS.** If the report is not reconciled to the Balance Sheet and FACTS, the verification should state so, with an explanation as to why verification is not possible. Agencies should also disclose the audit opinion of the Financial Statements or any issues regarding the pertinent accounts.

FMS acknowledges that there will be differences among the balances reported since the Receivables Report presents the gross book value of receivables as opposed to the net present value presented on the Audited Financial Statements and in FACTS. **Agencies are requested to define these differences and disclose any discrepancies in a separate document to be returned with the signed Certification/Verification.**

Note: Report accrued interest on this report the same as it is reported in FACTS and the financial statements, up to 180 days of delinquency. If interest is accrued on debts over 180 days delinquent and is included in FACTS submissions and on the audited financial statements, report it in the TROR with a footnote.

Include in the TROR all receivables for programs that are administered by the agency. Receivables are reported with the program that first generated the receivables unless there was a transfer by book entry to another entity.

Certification

All 4th quarter (year-end) reports must also be certified by the submitting agency's CFO or equivalent. Certification means that the delinquent debt information reported on the Receivables Report for cross servicing and offset in Part II, Section B, is correct and legally enforceable.

Only one certification at the Agency or Department level is to be submitted. The certification is to be submitted by the Agency/Department Chief Financial Officer or equivalent.

Questions:

Questions concerning the certification/verification process should be directed to:

Financial Management Service

Telephone Number: (202) 874-6660

Fax Number: (202) 874-7494

Only one Certification/Verification form **per Agency or Department** is to be submitted. The Certification/Verification form is submitted separately from the Receivables Report itself.

Due Date

The Certification/Verification form is due to FMS by December 1, 2005

DMIS System Access

To receive access the DMIS System to view your agency's reports, a user ID can be issued by calling (205) 912-6205.

Where to Send

Once the Certification/Verification form has been completed and signed, please fax it to:

Certification/Verification Team

Financial Management Service

Debt Management Services

Agency Liaison and Reporting Division

Attn: Matt Lorelli, Room 436B

Fax: (202) 874-7494

TROR Certification and Verification Form

*TREASURY REPORT ON RECEIVABLES
FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2005*

- I. I have reviewed the information presented in the Treasury Report on Receivables (TROR) submissions for the fiscal year ending September 30, 2005. In my opinion, all of the information specifically presented in the TROR, including, Part II, Section B, is accurate and consistent with the agency accounting systems.

Chief Financial Officer (signature)
(or Agency Head)

Date

Chief Financial Officer (printed)
(Or Agency Head)

Agency

OR

- II. I have reviewed the information presented in the Treasury Report on Receivables (TROR) submissions for the fiscal year ending September 30, 2005. The information presented is not consistent with the agency accounting systems. Attached is a list identifying the reporting entities and the parts of the form that I am unable to certify/verify with an explanation as to why certification/verification is not possible, and a target date for when such certification/verification can be submitted to the Department of the Treasury, Financial Management Service.

TROR Receivables (*Part I, Section A, Line 7*) \$ _____

Reconciliation Amount \$ _____

Amount Unable to Verify \$ _____

Financial Statement Receivables \$ _____

Chief Financial Officer (signature)
(or Agency Head)

Date

Chief Financial Officer (printed)
(Or Agency Head)

Agency